5/031/0012

Lead: Lynn
Task: 6039

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APR 1 1 2014
Div of Oil, Gas & Mining

USDA, Forest Service

PLAN OF OPERATIONS FOR MINING ACTIVITIES ON NATIONAL FOREST SYSTEM LANDS

FS-2800-5 (Rev. 3/08)
OMB 0596-0022

USE OF THIS FORM IS OPTIONAL! 1st TIME USERS SHOULD DIRECT QUESTIONS REGARDING THIS FORM OR REGULATIONS (36 CFR 228A) TO THE FOREST SERVICE DISTRICT OFFICE NEAREST YOUR AREA OF INTEREST.

Submitted by:	Matthew W. Horner Signature		Title	4-23-13 Date (mm/dd/yy)
	 Signature		Title	4-23-13 Date (mm/dd/yy)
Plan Received by:	Robert Arnott Signature		Mineral Program Mngr Title	4/30/2013 Date (mm/dd/yy)

I. GENERAL INFORMATION

A. **Name of Mine/Project:** Jim & Iver # 1 & 2

B. **Type of Operation:** Lode
(lode, placer, mill, exploration, development, production, other)

C. **Is this a (☐new/☒continuing) operation?** *(check one).*
If continuing a previous operation, this plan (☒replaces/☐modifies/☐supplements) a previous plan of operations. *(check one)*

D. **Proposed start-up date *(mm/dd/yy)* of operation:** Mid Summer 2013

E. **Expected total duration of this operation:** October 1, 2019

F. **If seasonal, expected date *(mm/dd/yy)* of annual reclamation/stabilization close out:** Mid September

G **Expected date *(mm/dd/yy)* for completion of all required reclamation:** Within 12 months after Phase Two is completed

II. PRINCIPALS

A. **Name, address and phone number of operator:**
Wayne W. Horner, John S. Horner, Matthew W. Horner
1688 E. 1700 South, Salt Lake City, UT 84105 (801) 466-7571

B. **Name, address, and phone number of authorized field representative (if other than the operator). Attach authorization to act on behalf of operator.**
Same as A.

C. **Name, address and phone number of owners of the claims (if different than the operator):**
Same as A.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

D. **Name, address and phone number of any other lessees, assigns, agents, etc., and briefly describe their involvement with the operation, if applicable:**

Frank Grover, Consultant

III. PROPERTY OR AREA

(Name of claim, if applicable, and the legal land description where the operation will be located.)

MC#	*Name*	*Section*	*Township*	*Range*
U.M.C. #119826	Jim & Iver #1	NE 1/4 25	27S	5W
U.M.C. #119827	Jim & Iver #2	NE 1/4 25	27S	5W

IV. DESCRIPTION OF THE OPERATION

A. **Access.** *Show on a map (USGS quadrangle map or a National Forest map, for example) the claim boundaries, if applicable, and all access needs such as roads and trails, on and off the claim. Specify which Forest Service roads will be used, where maintenance or reconstruction is proposed, and where new construction is necessary. For new construction, include construction specifications such as widths, grades, etc., location and size of culverts, describe maintenance plans, and the type and size of vehicles and equipment that will use the access routes.*

We will use high clearance 2 and 4 wheel drive ½ to 1 ton pickup trucks to access the mining claims. The following roads will be used. We will use a dozer and/or loader to improve the mine access road and a skid-steer in the gate installation. A small dozer, track-hoe and/or front-end loader will be required for final reclamation work.

- Access by motorized vehicles from Marysvale is proposed on FS Road #113 for about 10 miles. It would then continue through FS Gate 1099 on FS Road 123 for about 3 miles to an existing road that accesses the claims. No improvement of FS Roads #113 and #123 are needed. We agree to only use these roads when their use will not damage the road surface. However, we will maintain the existing conditions of these roads where damage has occurred as a result of our mining activities.

- The mine access road is a steep, short (approximately .8 miles), narrow single lane road that is mostly located on the Jim & Iver #2 Claim. This road may pre-date and exceed the FS standard for the grade for most of its length as it was built in the '50s. No attempts will be made at this time to reduce the grade by extending or altering the length and no new construction is planned for this road. Maintenance is however needed to level out the deep ruts and a culvert will be needed with the spring on the road to stop erosion. Explosives may be used to destroy the exposed rocks in the road surface. The road will then be graded with the grader to a smooth surface. No fill material will be removed from the cut face of the slope. Spilling of excess road material will be minimal as material will be used to fill existing ruts. Maintenance is expected to be minimal, sporadic and only on an as needed basis once the initial improvement has been accomplished.

- We will also install a gate at the upper end of the mine access road at the location designated by the FS. The gate will be built to the standards and drawings provided by the FS. The FS will be given a key to the gate so that they can have access as needed.

- We will walk to the caved-in mine portal by fording the creek and using the existing foot trail that is approximately 1500 feet in length. We will carry in the small compressor, generator and welder or transport it using a wheel barrow or motor-less cart.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

B. Map, Sketch or Drawing. *Show location and layout of the area of operation. Identify any streams, creeks or springs if known. Show the size and kind of all surface disturbances such as trenches, pits, settling ponds, stream channels and run-off diversions, waste dumps, drill pads, timber disposal or clearance, etc. Include sizes, capacities, acreage, amounts, locations, materials involved, etc.*

There are no outstanding features other than the dumps associated with the two mines in the area. Both dumps are small and well under an acre in size. The mine dump for the Jim & Iver #1 Mine is directly in front of mine at approximately 380299.511 4255067.430 Z12 NAD 83. Beaver Creek cuts through Jim & Iver Claim #2 at roughly the half-way point. No work related to the other mine (Spanish mine) associated with the Jim & Iver #2 is proposed for this phase of the operations. See attached maps.

C. Project Description. *Describe all aspects of the operation including mining, milling, and exploration methods, materials, equipment, workforce, construction and operation schedule, power requirements, how clearing will be accomplished, topsoil stockpile, waste rock placement, tailings disposal, proposed number of drillholes and depth, depth of proposed suction dredging, and how gravels will be replaced, etc. Calculate production rates of ore. Include justification and calculations for settling pond capacities, and the size of runoff diversion channels.*

- We will use a small staging area (approximately 100' X 100') located at the lower end of the mine access road for occupancy in small trailer(s) and or tent(s); parking and for storage of miscellaneous equipment and supplies.

- We will remove a slab of rock hanging directly over the face of the mine. Explosives may be used for this. We will then clear the entrance back to the hard face, timber and shore up as needed. Waste rock and soft overburden will be placed on the existing spoil dump. Timber will be obtained on the claims as authorized by the FS. Once the hard face is reached, a gate to restrict access to the tunnel will be built and installed using the portable compressor, welder and generator. The gate will be constructed per design and requirements of Utah Division of Oil, Gas, and other state and federal agencies. The portable compressor(s), welder(s) and generator(s) may also be used to make the adit safe and for general mine use.

- A geological exam will then be made within the mine to evaluate the most likely direction to continue mining.

For this phase, work will be done with hand tools, wheel barrow, a welder, generator, air compressor and air tools. Workforce will consist of two to ten workers at various times through the season. Primarily work will be on weekends but also some weekdays and holidays. Operation schedules will begin when access is available behind FS gate #1099. It will vary from two to about four months annually generally from mid-May to the last weekend in September. No settling ponds are required and no drill holes will be needed.

An amended POO will be submitted when activities proposed in this plan have been completed and before Phase Two begins.

D. Equipment and Vehicles. *Describe that which is proposed for use in your operation (Examples: drill, dozer, wash plant, mill, etc.). Include: sizes, capacity, frequency of use, etc.*

Standard high clearance 2 and 4 wheel drive ½ to 1 ton pickup trucks will be used to access the claims once or twice a week. The pickup trucks will be used to transport miners and equipment and for removal of ore to take to an assayer. A dozer and or loader will be used to make repairs to the mine access road and most likely a skid-steer with an auger attachment to drill holes for the gate. After initial road work there will be no further use of the dozer and or loader except for minimal and sporadic road maintenance work that may be required. A small dozer, front end loader, and/or track-hoe will be required for final reclamation at the end of operations. No motorized equipment will be left on site at the end of each operating season.

An updated POO will be submitted when other equipment and vehicles will be required.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

E. Structures. *Include information about fixed or portable structures or facilities planned for the operation. Show locations on the map. Include such things as living quarters, storage sheds, mill buildings, thickener tanks, fuel storage, powder magazines, pipelines, water diversions, trailers, sanitation facilities including sewage disposal, etc. Include engineering design and geotechnical information for project facilities, justification and calculations for sizing of tanks, pipelines and water diversions, etc.*

Small house trailer(s) may be left at the staging area at the end of the mine access road for the duration of the work season and will be pulled out at the end of the season. The trailer(s) will be used for living quarters, sanitation, and cooking facilities. Tents may be used when the workforce exceeds the amount of room in trailer for sleeping. The need for more permanent structures such as sheds and buildings for tools, equipment, and personnel protection would not be required by this plan as presently proposed.

We will continue to use the small wooden screened food cooler until final reclamation.

An updated POO will be submitted if other structures are required.

V. ENVIRONMENTAL PROTECTION MEASURES (SEE 36 CFR 228.8)

A. Air Quality. *Describe measures proposed to minimize impacts on air quality such as obtaining a burning permit for slash disposal or dust abatement on roads.*

Motorized equipment exhaust systems will be maintained as required by State law. By keeping the trailer at the claim, needless trips will be avoided thus the need for dust abatement is not anticipated. The need for slash disposal is not now anticipated. However, it may be needed if the FS would like us to dispose of the slash produced from harvesting authorized mine timbers and/or winter damage. In that event a burning permit will be obtained.

B. Water Quality. *State how applicable state and federal water quality standards will be met. Describe measures or management practices to be used to minimize water quality impacts and meet applicable standards.*

1. *State whether water is to be used in the operation, and describe the quantity, source, methods and design of diversions, storage, use, disposal, and treatment facilities. Include assumptions for sizing water conveyance or storage facilities.*
2. *Describe methods to control erosion and surface water runoff from all disturbed areas, including waste and tailings dumps.*
3. *Describe proposed surface water and groundwater quality monitoring, if required, to demonstrate compliance with federal or state water quality standards.*
4. *Describe the measures to be used to minimize potential water quality impacts during seasonal closures, or for a temporary cessation of operations.*
5. *If land application is proposed for waste water disposal, the location and operation of the land application system must be described. Also describe how vegetation, soil, and surface and groundwater quality will be protected if land application is used.*

(If more space is needed to fill out a block of information, use additional sheets and attach form)

1. No water is expected to be needed during the opening of a portal into an existing adit.

2. Erosion and surface water runoff could occur related to roads, trails, the creek ford and dumps. Dumps/tailing areas currently show no evidence of erosion. Erosion and surface water runoff would be controlled through the use of appropriated placed culverts, water bars, out-sloped roads and trails and ditches at the base of tailing dumps. Fording the creek and disturbance of creek substrate would be minimized as much as possible.

3. Water quality monitoring is not expected to be needed during the first phase of the operation. Ground water is not expected to be encountered or to leave the mine if encountered in this phase. In the event that it is encountered in the mine, this plan will be amended to address disposal of the groundwater.

4. Little or no effect to water quality within the claim boundaries is expected because of the control methods described in #2 above that will be taken and because of the size and extent of the proposed activities. Also Beaver Creek is located over 300 feet away from the mine and its spoils dump. Therefore, minimization measures are not expected.

5. Land application of waste water disposal is not proposed at this time. If in the event it is needed in the future this plan will be amended.

C. **Solid Wastes.** *Describe the quantity and the physical and chemical characteristics of solid waste produced by the operation. Describe how the wastes will be disposed of including location and design of facilities, or treated so as to minimize adverse impacts.*

Waste rock and soil that has covered the existing portal and that which has sloughed off in the adit will be placed at the existing dump previously mentioned. The quantity encountered is hard to determine at this time. Physical and chemical characteristics of the waste rock match the native rock at the mine site so no treatment of it is anticipated.

Debris and refuse produced in the mining activities will be hauled off National Forest System Lands and discarded in approved sanitary landfills.

Gray water and sewage will be contained in trailer house and drained as often as needed in an R.V. dump in town. No gray water or sewage will be disposed of on National Forest System Lands.

D. **Scenic Values.** *Describe protection of scenic values such as screening, slash disposal, or timely reclamation.*

Because of the size of our proposed operation in Phase 1, its location, and our proposed reclamation scenic values will not be affected. Trees are now growing on and around the dump. Most people are not even aware of the dump or adit location.

E. **Fish and Wildlife.** *Describe measures to maintain and protect fisheries and wildlife, and their habitat (includes threatened, endangered, and sensitive species) affected by the operations.*

Beaver Creek is a very small fishery if any at all. Fish have not been observed in Beaver Creek in the area of the claims since the D.W.R. allowed grandpa with a permit to stock the stream about 20 years ago. They lasted about 2 years. No fish have been observed in the past 15 or so years. Wildlife cross the claims regularly. No threatened, endangered or sensitive species noted.

The FS has agreed to conduct surveys for threatened, endangered, and sensitive plant and wildlife species within the boundaries of our claims. To date, no species of this nature have been discovered. We agree to incorporate any protective measures for these species they require in the event that any of them are discovered.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

F. Cultural Resources. *Describe measures for protecting known historic and archeological values, or new sites in the project area.*

Surveys for historical and cultural resources have been conducted by the FS within the boundaries of our mining claims. No historical or cultural resources were discovered. If culturally significant items are encountered during mining activities, work will cease until mitigation measures are adopted and District Ranger approval to continue is received. All laws, rules and regulations related to cultural resources will be followed. A Spanish mine in the area reportedly had a vent hole to provide fresh air. This will be explored and marked if found.

G. Hazardous Substances.

1. *Identify the type and volume of all hazardous materials and toxic substances which will be used or generated in the operations including cyanide, solvents, petroleum products, mill, process and laboratory reagents.*

Small amounts of explosives may be used in road maintenance and mining. Small amounts of gasoline and/or diesel will be used to fuel a portable generator(s), compressor(s) and welder(s) as needed. Motorized vehicles used to access the mine will be fueled and scheduled maintenance will be performed off National Forest System Lands. No other hazardous materials will be used in the project.

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2. *For each material or substance, describe the methods, volume, and frequency of transport (include type of containers and vehicles), procedures for use of materials or substances, methods, volume, and containers for disposal of materials and substances, security (fencing), identification (signing/labeling), or other special operations requirements necessary to conduct the proposed operations.*

Explosives used in the project will only be on site when needed for the immediate activity. They will be transported to the site as allowed by UDOT regulations, stored on-site as allowed by MSHA rules, and taken from the site when the last miners leave at the end of each shift. They will also be labeled and secured on site as required by MSHA rules. Small quantities (less than 15 gallons) of gasoline and/or diesel will be taken to the site as needed in MSHA/DOT approved containers and will also be taken from the site when the last miners leave at the end of each shift.] The gate would need to be cemented in. Care will be taken to not spill any of this cement and none will be discarded on National Forest System land.

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3. *Describe the measures to be taken for release of a reportable quantity of a hazardous material or the release of a toxic substance. This includes plans for spill prevention, containment, notification, and cleanup.*

All care will be taken to assure motorized vehicles, generators, compressors and welders are not leaking fuel or lubricants. In the event of accidental release of a toxic substance the spill will be contained. We will notify the FS of the accidental spill and will clean it up as required by rule and regulation.

(If more space is needed to fill out a block of information, use additional sheets and attach form)

H. **Reclamation.** *Describe the annual and final reclamation standards based on the anticipated schedule for construction, operations, and project closure. Include such items as the removal of structures and facilities including bridges and culverts, a revegetation plan, permanent containment of mine tailings, waste, or sludges which pose a threat of a release into the environment, closing ponds and eliminating standing water, a final surface shaping plan, and post operations monitoring and maintenance plans.*

Annual reclamation will consist of removing trailer and tools, all construction equipment and anything brought in including refuse and debris. Reclamation of the dump is expected to be negligible. The ditch at the base of the tailing dump will be cleaned and functionality restored.

If the assays do not prove that continued mining is warranted, final site reclamation will be undertaken. This includes:

- The mine portal will be closed using loose rock and soft overburden from the dump.
- The mine area, dump, ditches, trails, and mine access road will be restored to a contour that blends with the surrounding topography and that re-establishes hydrologic pathways.
- Top soil in compacted areas including the staging area will be loosened.
- All disturbed areas will be seeded with seed mix of native species recommended by the FS, fertilized, and covered with temporary ground cover (ie straw, jute etc.) that is certified weed free.
- The creek banks and bed where the ford was established will be reclaimed to match surrounding creek conditions.

VI. FOREST SERVICE EVALUATION OF PLAN OF OPERATIONS

A. **Required changes/modifications/special mitigation for plan of operations:**

- Further environmental analysis may be required when additional equipment and/or facilities are needed, depending on the scope of the work.

B. **Bond**. Reclamation of all disturbances connected with this plan of operations is covered by Reclamation Performance Bond No. _____, dated (mm/dd/yy) _____, signed by _____ (Principal) and _____ (Surety), for the penal sum of _____. This Reclamation Performance Bond is a guarantee of faithful performance with the terms and conditions listed below, and with the reclamation requirements agreed upon in the plan of operations. This Reclamation Performance Bond also extends to and includes any unauthorized activities conducted in connection with this operation.

The bond amount for this Reclamation Performance Bond was based on a bond calculation worksheet. The bond amount may be adjusted during the term of this proposed plan of operations in response to changes in the operations or to changes in the economy. Both the Reclamation Performance Bond and the bond calculation worksheet are attached to and made part of this plan of operations. Acceptable bond securities (subject to change) include:

1. *Negotiable Treasury bills and notes which are unconditionally guaranteed as to both principle and interest in an amount equal at their par value to the penal sum of the bond; or*
2. *Certified or cashier's check, bank draft, Post Office money order, cash, assigned certificate of deposit, assigned savings account, blanket bond, or an irrevocable letter of credit equal to the penal sum of the bond.*

(If more space is needed to fill out a block of information, use additional sheets and attach form)

VII. TERMS AND CONDITIONS

A. If a bond is required, it must be furnished before approval of the plan of operations.

B. Information provided with this plan marked confidential will be treated in accordance with the agency's laws, rules, and regulations.

C. Approval of this plan does not constitute certification of ownership to any person named herein and/or recognition of the validity of any mining claim named herein.

D. Approval of this plan does not relieve me of my responsibility to comply with other applicable state or federal laws, rules, or regulations.

E. If previously undiscovered cultural resources (historic or prehistoric objects, artifacts, or sites) are exposed as a result of operations, those operations will not proceed until notification is received from the Authorized Officer that provisions for mitigating unforeseen impacts as required by 36 CFR 228.4(e) and 36 CFR 800 have been complied with.

F. This plan of operations has been approved for a period of _____ or until *(mm/dd/yy)* _____. A new or revised plan must be submitted in accordance with 36 CFR part 228, subpart A, if operations are to be continued after that time period.

VIII. OPERATING PLAN ACCEPTANCE

☐I/☐We have reviewed and agreed to comply with all conditions in this plan of operations including the required changes, modifications, special mitigation, and reclamation requirements.

☐I/☐We understand that the bond will not be released until the Authorized Officer in charge gives written approval.

Signature of ☐Operator (or ☐Authorized Representative)	(Date) *(mm/dd/yy)*

IX. OPERATING PLAN APPROVAL

(Name)	(Title)
Signature of (Authorized Officer)	(Date) *(mm/dd/yy)*

Burden and Non-Discrimination Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0022. The time required to complete this information collection is estimated to average 12 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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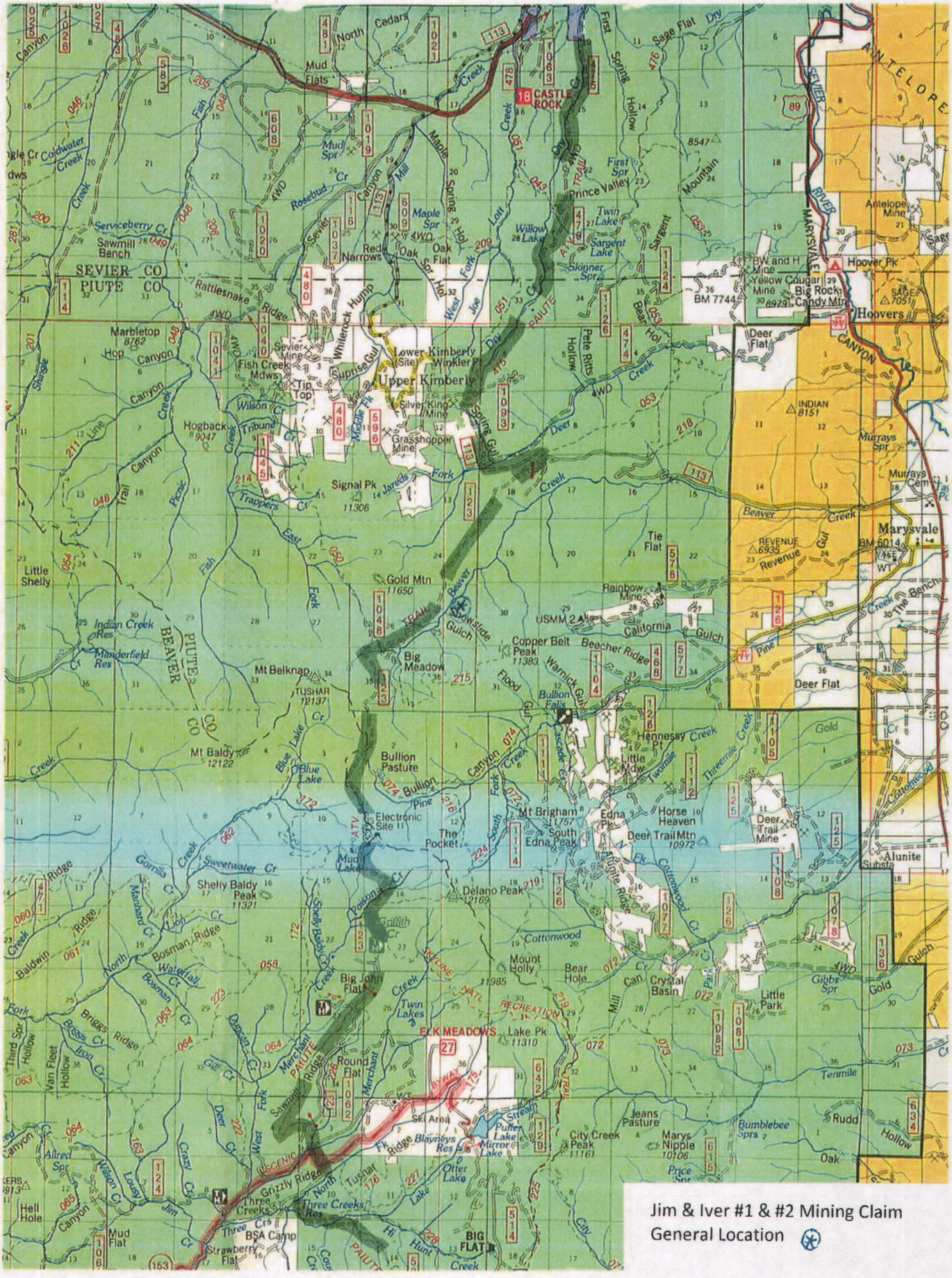
To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.

(If more space is needed to fill out a block of information, use additional sheets and attach form)


SEVIER CO
PIUTE CO
BEAVER CO
CASTLE ROCK
Mud Flats
North Cedars
Sawmill Bench
Rattlesnake Ridge
Marbletop 8762
Fish Creek Mdws
Sevier Mine
Upper Kimberly
Lower Kimberly
Winkler Pt
Tip Top
Silver King Mine
Grasshopper Mine
Hogback 9047
Signal Pk 11306
Gold Mtn 11650
Big Meadow
Mt Belknap
TUSHAR 12137
Mt Baldy 12122
Bullion Pasture
Electronic Site 11
The Pocket
Shelly Baldy Peak 11321
Delano Peak 12169
Mount Holly 11985
Big John Flat
Twin Lakes
ELK MEADOWS
Lake Pk 11310
Round Flat
Ski Area
Puffer Lake
Mirror Lake
Blayneys Res
City Creek Peak 11161
Marys Nipple 10106
Jeans Pasture
Bumblebee Spr
Three Creeks Res
Three Creeks
BSA Camp
Strawberry Flat
Otter Lake
BIG FLAT
Mud Flat
Hell Hole
Prince Valley
Twin Lake
Willow Lake
Sargent Lake
Skinner Spr
Red Narrows
Oak Flat
Maple Spr
Mud Spr
First Spr
Sage Flat
Mountain 8547
Antelope Mine
BW and H Mine
Yellow Cougar Mine
Big Rock Candy Mtn
Hoover Pk
Hoovers
Deer Flat
INDIAN 8151
Murrays Spr
Murrays Cem
Marysvale
REVENUE 6935
Tie Flat
Rainbow Mine
USMM 2 Adit
California Gulch
Copper Belt Peak 11393
Beecher Ridge
Bullion Falls
Hennessy Creek
Little Mdw
Mt Brigham 11757
South Edna Peak
Edna Pk
Horse Heaven
Deer Trail Mtn 10972
Deer Trail Mine
Alunite
Alunite Ridge
Cottonwood
Bear Hole
Can Crystal Basin
Little Park
Gibbs Spr
Tenmile
Rudd
Oak
Price Spr
Indian Creek Res
Manderfield Res
Blue Lake
Sweetwater Cr
Bosman Ridge
Briggs Ridge
Van Fleet Hollow
Alfred Spr
Jim Canyon
Mud Lake
Griffith Cr
Merchant Ridge
Deer Cr
Crazy Cr
Grizzly Ridge
Tushar Lake
Hi Hunt
Jim & Iver #1 & #2 Mining Claim
General Location

Jim Iver #1 & 2 Mining Pro' ct

Project Area:

Inbox x

Hamilton, Rob -FS 1:36 PM (3 minutes ago)

to me

Lynn – Here are our estimated reclamation costs

Sediment Control	Install 200' of silt fence near Beaver Creek for temporary sediment control	200 ft. X $10.00/foot	2,000.00
Portal Closure	Material & labor to install foam plug or alternate method	Each	2,000.00
Road and mine closure	Excavator rental	1.5 weeks at $1300/wk	1,950.00
	Excavator fuel costs	Each	500.00
	Mobilization	2 trips X $185/trip	370.00
	Excavator Operator	56 hrs X $46/hr	2,576.00
	Service Truck	56 hrs X $22.50/hr	1,260.00
	Laborer/Driver	56 hrs X $26/hr	1,456.00
Seed and fertilize	Seed $400/ac & fertilizer $100/ac	2 acres X 500	1,000.00
Inflation	0.03% of total	13,112 X 0.03	393.00
			13,505.00

Rob Hamilton
Fishlake National Forest
Minerals Program Manager
(435) 896-1022 (Office Phone)
(435) 310-0680 (Cell Phone)